



# Instructions for Legacy Contract Application Form

## Background

Pursuant to section 95894 of the Cap-and-Trade Regulation (Regulation), facilities that generate electricity and/or thermal output under legacy contracts may apply to the California Air Resources Board (CARB) for allowance allocation for the purpose of transition assistance for the greenhouse gas emissions related to these contracts. Legacy contract generators are facilities that generate and sell electricity, thermal energy, or both, subject to a legacy contract. Legacy contracts are contracts that were executed prior to September 1, 2006, govern the sale of electricity and/or thermal output, and do not provide for the recovery of Cap-and-Trade Program costs. Legacy contract generators that wish to apply for allowance allocation from the subsequent allowance vintage year must submit an application to CARB by June 1 of the calendar year immediately preceding the vintage year (e.g., for allocation of vintage 2022 allowances, applications must be received by CARB no later than June 1, 2021). The application form provided may be used to apply to the CARB for this legacy contract transition assistance. These instructions provide an overview of the application form and instructions for completing and submitting the form. The application form can be found in the "Other Allocation Forms" section of the [Cap-and-Trade Program Guidance and Forms](#) web page.

To be eligible to receive legacy contract transition assistance pursuant to section 95894(a)(3)(C) of the Regulation, a legacy contract generator must make a good faith effort to renegotiate the legacy contract starting at least 60 days, but no earlier than one year, before the date of the attestation. For example, if a legacy contract generator is applying for vintage 2022 allowance allocation by submitting an application signed on June 1, 2021, a new effort to renegotiate the legacy contract must have commenced between June 1, 2020 and April 2, 2021.

CARB will accept the signed attestations from legacy contract generators regarding renegotiation effort submitted pursuant to section 95894(a)(3)(C) of the Regulation unless CARB has reason to believe that no renegotiation effort occurred. A counterparty to a legacy contract may contest an attestation of renegotiation effort submitted by a legacy contract generator by submitting a signed letter to CARB asserting that the relevant legacy contract generator did not make a good faith effort to renegotiate the legacy contract during the relevant period. CARB will investigate disputes to assess whether there was a good faith renegotiation effort during the relevant period.



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Full text of the [Regulation](#) is available on the Cap-and-Trade Program website. Sections 95112 and 95131(b)(8)(F)(3) of the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (MRR) set the requirements for how some information in this form must be reported. Full MRR text can be found on the [MRR Regulation webpage](#).

These instructions and the application form are provided for clarity and convenience only. The use of the application form to fulfill these requirements is optional. The instructions and application form do not have the force of law, do not establish new requirements, and in no way supplant, replace, or amend any of the legal requirements of the Regulation.

## Instructions

Attach a copy of the following portions of the legacy contract for which the generator is seeking transition assistance:

- (A) Dates of effective commencement and cessation of the contract terms,
- (B) Terms governing the price per unit of product, and
- (C) Signature page.

If the commencement and/or cessation date is not stated explicitly in the contract, also attach documentation sufficient to identify the commencement and/or cessation date. Include these attachments with the hard copy and electronic submission of this application.

- 1) In box 1, enter the vintage year for which the legacy contract generator is applying for allowance allocation. For example, applications with a June 1, 2021 submission deadline are for allocation of vintage 2022 allowances (which will be allocated by October 24, 2021).
- 2) In box 2, enter the legacy contract generator's legal name used in the Compliance Instrument Tracking System Service (CITSS) for the Cap-and-Trade Program.
- 3) In box 3, enter the legacy contract generator's mailing address used in CITSS.
- 4) In box 4, enter the legacy contract generator's CARB ID. The CARB ID is a unique number that CARB assigns to each entity reporting emissions under the Mandatory Reporting Regulation.
- 5) In box 5, enter the legacy contract generator's CITSS ID.
- 6) In box 6, select either "Yes" or "No" from the dropdown menu to identify whether the legacy contract generator has an industrial counterparty.
- 7) If "Yes" was selected in box 6, enter the legacy contract counterparty's legal name used in CITSS in box 7. If "No" was selected in box 6, enter "Not Applicable" in box 7. See the most recent CITSS Registrant Report at [the Cap-and-Trade Program Data webpage](#) to find the legal name used in CITSS.



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- 8) If "Yes" was selected in box 6, enter the legacy contract counterparty's CARB ID in box 8. If "No" was selected in box 6, enter "Not Applicable" in box 8.
- 9) In box 9, select either "Yes" or "No" from the dropdown menu to identify whether the legacy contract generator is a stand-alone generator.
- 10) If "Yes" is selected in box 9, select "Yes" from the dropdown menu in box 10 if the legacy contract generator sells all of its electricity output under the legacy contract or select "No" from the dropdown menu in box 10 if the generator produces any electricity that is not sold under the legacy contract. If "No" is selected in box 9, select "Not Applicable" from the dropdown menu in box 10.
- 11) In box 11, enter the legacy contract commencement date as stated in the legacy contract for which the legacy contract generator is seeking transition assistance.
- 12) In box 12, enter the legacy contract cessation date as stated in the legacy contract for which the legacy contract generator is seeking transition assistance.
- 13) Box 13 must be completed only for a legacy contract generator that is not a stand-alone generator. In box 13, a legacy contract generator that is *not* a stand-alone generator must enter the amount of electricity (MWh) sold under the legacy contract for the applicable year. A legacy contract generator without an industrial counterparty must enter legacy contract electricity for the 2012 data year (i.e., in the first row next to the data year "2012"). A legacy contract generator with an industrial counterparty must enter legacy contract electricity for the most recent data year (i.e., 2020 data year information should be reported on an application submitted in 2021, and this data should be entered in the second row next to the data year "2020").
- 14) Box 14 must be completed only for a legacy contract generator that is not a stand-alone generator. In box 14, a legacy contract generator that is *not* a stand-alone generator must enter the amount of legacy contract qualified thermal output (MMBtu) sold under the legacy contract for the applicable year. A legacy contract generator without an industrial counterparty must enter legacy contract qualified thermal output for the 2012 data year (i.e., in the first row next to the data year "2012"). A legacy contract generator with an industrial counterparty must enter legacy contract qualified thermal output for the most recent data year (i.e., 2020 data year information should be reported on an application submitted in 2021, and this data should be entered in the second row next to the data year "2020").
- 15) Box 15 must be completed only for a legacy contract generator that is a stand-alone generator. In box 15, a legacy contract generator that is a stand-alone generator must enter the greenhouse gas emissions in metric tons of carbon dioxide equivalent (MTCO<sub>2e</sub>) associated with electricity sold under the legacy contract for the data year. A legacy contract generator without an industrial counterparty must enter legacy contract electricity emissions for the 2012 data year (i.e., in the first row next to the data year "2012"). A legacy contract generator with an industrial counterparty must enter legacy contract electricity emissions for the most recent data year (i.e., 2020 data year information should be reported on an



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application submitted in 2021, and this data should be entered in the second row next to the data year "2020"). A legacy contract generator that is a stand-alone generator may also optionally enter in box 13 the amount of electricity generated (MWh) for this legacy contract during the data year.

16) The attestation at the bottom of the application must be signed and dated by the primary or alternate account representative of the legacy contract generator, and the signed and dated attestation must be included in the application submission.

## Submitting Completed Applications

Complete applications must be submitted by certified U.S. mail and received by CARB no later than June 1 of the year prior to the vintage year of the requested allowance allocation (or the first business day thereafter if June 1 is not a business day). **For vintage 2022 allowance allocation, applications are due no later June 1, 2021.** Please mail the complete application to the following address:

California Air Resources Board  
Attn: Mark Sippola  
Climate Change Program Evaluation Branch, 6th Floor  
1001 "I" Street  
Sacramento, CA 95814

CARB also requests that the completed Excel workbook be emailed as an attachment to [edu-allocation@arb.ca.gov](mailto:edu-allocation@arb.ca.gov) along with a PDF version of the application form that includes the attestation signed by a primary or alternate account representative for the legacy contract generator. Questions may be directed to (916) 323-1095 or [edu-allocation@arb.ca.gov](mailto:edu-allocation@arb.ca.gov).